GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:3414
ANSWERED ON:21.12.2004
PRIVATISATION OF WATER DISTRIBUTION AND SANITATION
Mandal Shri Sanat Kumar;Rawale Shri Mohan

Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether the Union Government proposes to privatise the water distribution and sanitation in Mumbai and other cities of the country;

(b) if so, the details thereof; and

(c) the extent to which the private sector participation is helpful in the improvement of urban water supply and sanitation?

Answer

MINISTER OF PARLIAMENTARY AFFAIRS AND URBAN DEVELOPMENT (SHRI GHULAM NABI AZAD)

(a)&(b): Urban water supply and sanitation being a State subject, it is for the State Governments to decide on this issue. The Union Government plays the role of facilitator and has prepared guidelines for sector Reforms and Public-private partnerships in urban water supply and sanitation services in India.

In respect of Mumbai, the Municipal Corporation of Greater Mumbai (MCGM) sought financial assistance under Public-Private Infrastructure Advisory Faci1ity (PPIAF) for design and development of pilot Private Sector Participation (PSP) model for distribution of drinking water in K(East) ward of Mumbai. PPIAF has approved funding of US$ 692,500 for this activity in July, 2004 and a Senior Sanitary Engineer in World Bank has been appointed as Task Force Manager for this activity.

(c): The PSP in Urban Water Supply and Sanitation can be helpful to the extent to which it is linked with reforms in the sector and to bridge the resource gap.